



## TEXAS DEPARTMENT OF INSURANCE

### Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### GENERAL INFORMATION

**Requestor Name**

CORNERSTONE HOSPITAL OF HOUSTON BELLAIRE

**Respondent Name**

TEXAS MUTUAL INSURANCE COMPANY

**MFDR Tracking Number**

M4-17-2078-01

**Carrier's Austin Representative**

Box Number 54

**MFDR Date Received**

March 7, 2017

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "Per TDI guidelines a provider has 95 days from the date of discharge to submit a claim for services provided, Cornerstone Hospital of Houston Bellaire has not discharged the patient from their facility or care. The claim submitted for date span 05/03-07/01/2016 was an interim claim and it has indicated bill type 112 in box 4 with discharge status of 20 indicating the patient is still in-house in box 17 of the UB-04 claim form... Since the patient is currently still receiving treatment at our facility and has not been discharged the denial is invalid. The claim was submitted within the time frame of 95 days after discharge date."

**Amount in Dispute:** \$113,212.56

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "...neither rule 133.20 nor the Labor Code at 408.027 say anything like a health care provider '...has 95 days from the date of discharge to submit a claim for services provided.' The requestor states further in the same letter the patient is '...still receiving treatment at our facility and has not been discharged from the facility, therefore our claim has met the timely filing guidelines.' The problem can be seen quite clearly that the requestor's argument for timely bill submission rests solely on faulty understanding that makes the requestor's basic argument false. The requestor provided treatment 5/3/16 through 7/01/16. It billed for that treatment. It expected payment of that treatment 124 days later when it submitted the bill. Texas Mutual would have paid for that treatment that had been provided over that date range if the bill has been submitted within 95 days of that provided treatment. But it wasn't it was 30 days late notwithstanding references to bill type 112 and interim billing."

**Response Submitted by:** Texas Mutual Insurance Company

### SUMMARY OF FINDINGS

| Date(s) of Service                  | Disputed Service(s) | Amount In Dispute | Amount Due |
|-------------------------------------|---------------------|-------------------|------------|
| May 3, 2016 through<br>July 1, 2016 | Inpatient Services  | \$113,212.56      | \$0.00     |

## ***FINDINGS AND DECISION***

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

### **Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §133.20 sets out medical bill submission procedures for health care providers.
3. 28 Texas Administrative Code §102.4 establishes rules for non-Commission communications.
4. Texas Labor Code §408.027 sets out provisions related to payment of health care providers.
5. Texas Labor Code §408.0272 provides for certain exceptions to untimely submission of a medical claim.
6. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - CAC 29 – The time limit for filing has expired
  - 731 – Per 133.20 provider shall not submit a medical bill later than the 95<sup>th</sup> day after the date of service

### **Issues**

1. What is the timely filing deadline applicable to the medical bills for the services in dispute?
2. Did the requestor forfeit the right to reimbursement for the services in dispute?

### **Findings**

1. The requestor seeks reimbursement for inpatient facility charges rendered on May 3, 2016 through July 1, 2016. The insurance carrier denied the disputed service(s) with claim adjustment reason code(s): "29 – The time limit for filing has expired" and "731 – Per 133.20 provider shall not submit a medical bill later than the 95<sup>th</sup> day after the date of service."

The requestor asserts, "Since the patient is currently still receiving treatment at our facility and has not been discharged the denial is invalid. The claim was submitted within the time frame of 95 days after discharge date..."

The insurance carrier asserts, "The requestor provided treatment 5/3/16 through 7/01/16. It billed for that treatment. It expected payment of that treatment 124 days later when it submitted the bill. Texas Mutual would have paid for that treatment that had been provided over that date range if the bill has been submitted within 95 days of that provided treatment. But it wasn't it was 30 days late notwithstanding references to bill type 112 and interim billing."

28 Texas Administrative Code §133.20(b) requires that, except as provided in Texas Labor Code §408.0272, "a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided." Texas Labor Code §408.0272(b) provides that:

Notwithstanding Section 408.027, a health care provider who fails to timely submit a claim for payment to the insurance carrier under Section 408.027(a) does not forfeit the provider's right to reimbursement for that claim for payment solely for failure to submit a timely claim if:

- (1) the provider submits proof satisfactory to the commissioner that the provider, within the period prescribed by Section 408.027(a), erroneously filed for reimbursement with:
  - (A) an insurer that issues a policy of group accident and health insurance under which the injured employee is a covered insured;
  - (B) a health maintenance organization that issues an evidence of coverage under which the injured employee is a covered enrollee; or
  - (C) a workers' compensation insurance carrier other than the insurance carrier liable for the payment of benefits under this title; or
- (2) the commissioner determines that the failure resulted from a catastrophic event that substantially interfered with the normal business operations of the provider.

The requestor submitted no documentation to support that any of the exceptions described in Texas Labor Code §408.0272 apply to the disputed services. For that reason, the health care provider was required to submit the medical bill not later than 95 days after the date the disputed services were provided.

2. Texas Labor Code §408.027(a) states that “Failure by the health care provider to timely submit a claim for payment constitutes a forfeiture of the provider's right to reimbursement for that claim for payment.”

28 Texas Administrative Code §102.4(h) states that:

Unless the great weight of evidence indicates otherwise, written communications shall be deemed to have been sent on:

- (1) the date received, if sent by fax, personal delivery or electronic transmission or,
- (2) the date postmarked if sent by mail via United States Postal Service regular mail, or, if the postmark date is unavailable, the later of the signature date on the written communication or the date it was received minus five days. If the date received minus five days is a Sunday or legal holiday, the date deemed sent shall be the next previous day which is not a Sunday or legal holiday.

Review of the submitted information finds insufficient documentation to support that a medical bill was submitted within 95 days from the date the services were provided (emphasis placed). The division finds that the documentation submitted supports that the insurance carrier's receipt of the medical bill for dates of service 5/3/016 – 7/1/2016 was 11/2/2016, applying 28 Texas Administrative Code §102.4(h) to calculate time exceeds the 95 day bill submission requirements. Consequently, the requestor has forfeited the right to reimbursement due to untimely submission of the medical bill, pursuant to Texas Labor Code §408.027(a).

### **Conclusion**

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

### ***ORDER***

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

### **Authorized Signature**

|                    |   |                                 |
|--------------------|---|---------------------------------|
| _____<br>Signature | _____<br>Medical Fee Dispute Resolution Officer | _____<br>April 12, 2017<br>Date |
|--------------------|---|---------------------------------|

|                    |  |                                 |
|--------------------|--|---------------------------------|
| _____<br>Signature | _____<br>Medical Fee Dispute Resolution Director | _____<br>April 12, 2017<br>Date |
|--------------------|--|---------------------------------|

### ***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 *Texas Register* 3833, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**